IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE K.S.RADHAKRISHNAN
&
THE HONOURABLE MR. JUSTICE T.R.RAMACHANDRAN NAIR

MONDAY, THE 3RD DECEMBER 2007 / 12TH AGRAHAYANA 1929

MFA.No. 164 of 2000()

IC.61/1997 of EMPLOYEES INSURANCE COURT, ALAPPUZHA
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APPELLANTS:
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1. THE DEPUTY REGIONAL DIRECTOR, EMPLOYEES STATE INSURANCE CORPORATION, THRISSUR.
2. THE ASST. REGIONAL DIRECTOR, DO.
3. THE RECOVERY OFFICER, DO. DO.

BY ADV. SRI.T.P.M.IBRAHIM KHAN

RESPONDENTS:

M/S. PREMIER TYRES LIMITED, KALAMASSERY.

BY ADV. SRI. .A.M.SHAFFIQUE

THIS MISC. FIRST APPEAL HAVING BEEN FINALLY HEARD ON 03/12/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

K.S. Radhakrishnan &
T.R. Ramachandran Nair, JJ.

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M.F.A.NO.164 OF 2000

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Dated this the 3rd day of December, 2007

JUDGMENT

Radhakrishnan, J.

The question raised is fully covered by the judgment of this court in **Cannanore Drug Lines v. E.S.I. Corporation** (2007 (1) KLT 880). Interpreting the provisions of Section 39(5) of the Employees State Insurance Act, 1948 and Regulation 31A of the E.S.I. (General) Regulations, 1950, the Bench has taken the view that the payment of interest is a statutory liability and the employer cannot escape from that liability. Learned counsel appearing for the employer submitted that since the unit was sick and the wages were not being paid to the employees in time, contribution could not have been effected. This is not a ground to deny statutory payment of interest.

2. That being the legal position, we are inclined to allow this appeal and set aside the judgment of the Employees Insurance Court. We hold that the employer is liable to pay interest for the delayed payment of the contribution, to the E.S.I. Corporation. The same will be worked out by the

Corporation and the respondent will have to pay the same.

The appeal is allowed as above.

(K.S. Radhakrishnan, Judge.)

(T.R. Ramachandran Nair, Judge.)

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K.S. Radhakrishnan &
T.R. Ramachandran Nair, JJ.

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JUDGMENT

3rd December, 2007.